

STRATEGIC PLAN 2026-2030

PUBLIC UTILITY DISTRICT No. 1
OF PEND OREILLE COUNTY

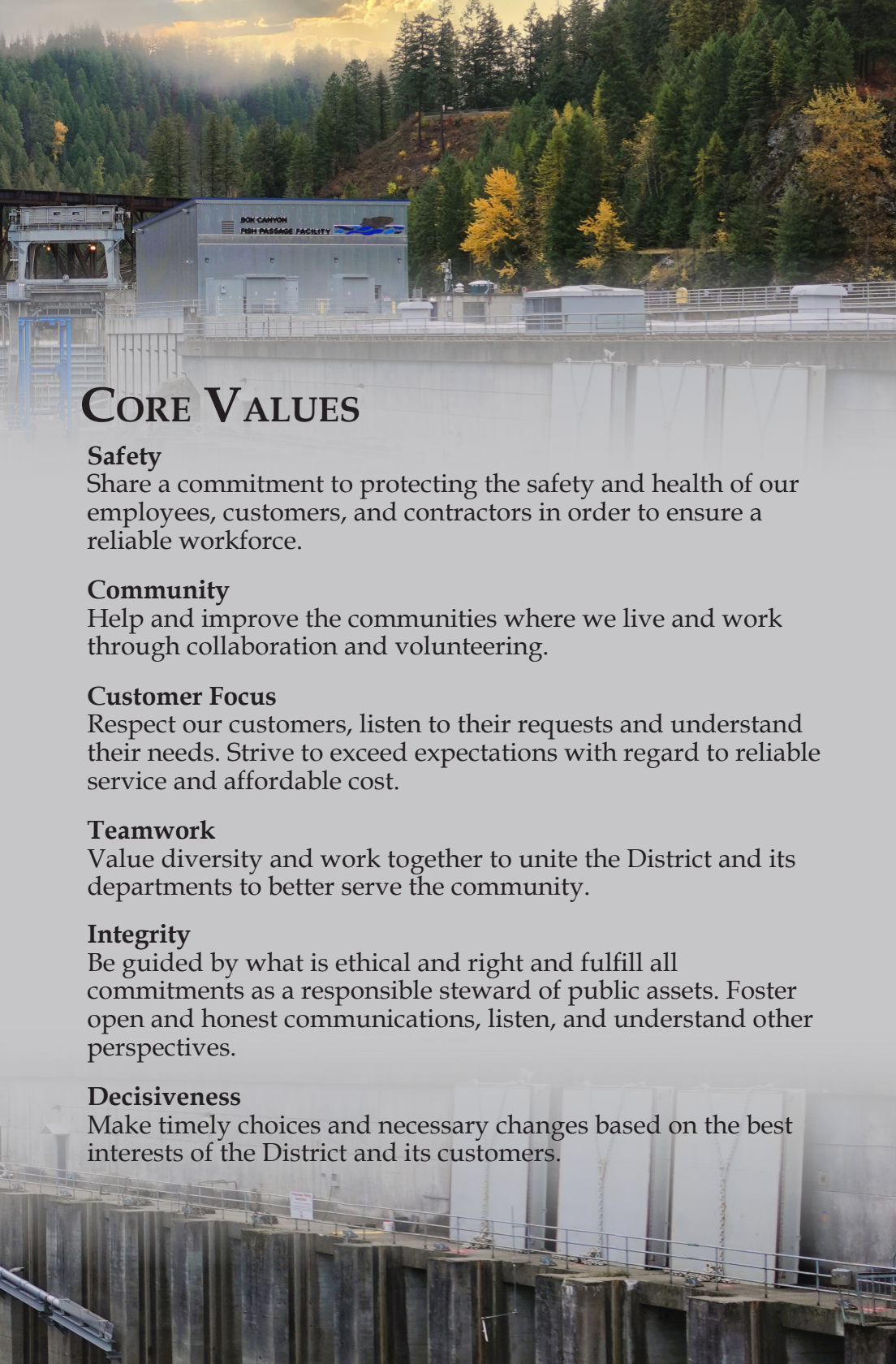
MISSION

Quality Service at Low Cost

VISION

A resilient, community-focused utility that delivers safe, reliable, affordable, and innovative services while fostering trust, transparency, and long-term sustainability.





CORE VALUES

Safety

Share a commitment to protecting the safety and health of our employees, customers, and contractors in order to ensure a reliable workforce.

Community

Help and improve the communities where we live and work through collaboration and volunteering.

Customer Focus

Respect our customers, listen to their requests and understand their needs. Strive to exceed expectations with regard to reliable service and affordable cost.

Teamwork

Value diversity and work together to unite the District and its departments to better serve the community.

Integrity

Be guided by what is ethical and right and fulfill all commitments as a responsible steward of public assets. Foster open and honest communications, listen, and understand other perspectives.

Decisiveness

Make timely choices and necessary changes based on the best interests of the District and its customers.

OUR STORY

In 1936, the citizens of Pend Oreille County took control of their future by creating a public utility they could call their own. From those defining beginnings, Pend Oreille PUD built a legacy of innovation and community service. It became one of the first public utility districts in the nation to construct its own hydroelectric project (Box Canyon Dam), among the first in Washington to build a high-speed fiber optic broadband network, and one of only a few to provide high-quality drinking water to its communities.

Nearly ninety years later, that same spirit of local control and commitment to public service continues to guide us. Pend Oreille PUD remains dedicated to meeting the evolving needs of our customers and communities. This Strategic Plan builds upon a strong foundation, sharpening our focus on the goals that will lead to a stronger, more sustainable future.

Just as our founders looked ahead in 1936, this plan looks forward, so that the choices we make today will benefit not only our customers, but our children and grandchildren who will call Pend Oreille County home for generations to come.



MESSAGE FROM YOUR GENERAL MANAGER

As we look ahead to 2030, your locally-owned and controlled Public Utility District remains focused on serving Pend Oreille County with safe, reliable, and affordable utility services. This new Strategic Plan builds on the strength of our past work and reflects the values we share as a community: safety, integrity, customer focus, and accountability. It also recognizes the challenges before us, which includes aging infrastructure, changing regulations, and new demands on our system.

By setting clear goals and measurable milestones, we remain prepared to meet these challenges while keeping our commitment to low-cost, reliable service. But this plan is about more than operations and finances, it's about people. Our customers, employees, and community partners all play a vital role in shaping the future of Pend Oreille PUD.

Together, we are building on the legacy started in 1936 and strengthening our partnerships, investing in our workforce, and creating resilient systems that will serve our county well into the future. I am grateful for the dedication of our employees, the support of our Board of Commissioners, and the trust of our customers as we take these next steps forward.



— Chris Jones,
General Manager



STRATEGIC PRIORITIES

Financial Responsibility

Maintain affordability and strengthen reserves.

System Reliability

Modernize infrastructure and reduce wildfire risk.

Safety

Foster a zero-incident culture and enhance emergency readiness.

Community Engagement & Customer Satisfaction

Strengthen trust, transparency, and outreach.

Employee Experience

Recruit, retain, and support a skilled, engaged workforce.

Innovation

Invest in modern technology, expand community connectivity, and explore future-focused energy solutions.





FINANCIAL RESPONSIBILITY

Pend Oreille PUD is committed to being a responsible steward of public resources. Through careful financial planning, transparency, and strategic investment, we work to maintain long-term stability, keep rates affordable, and ensure the PUD remains strong for future generations.

Objectives & Critical Tasks

Keep Rates Competitive

- Keep annual rate adjustments within 1.5% of inflation.
- Provide quarterly financial updates of the 10-Year Financial Forecast to the public.
- Conduct a Cost-of-Service Study to ensure fair and reasonable rates.
- Pursue capacity resources for 2030 and beyond.

Increase Cash Reserves and Reduce Debt

- Maintain more than 250 days of cash on hand.
- Maintain a debt service coverage ratio above 2.0.
- Review PUD assets for optimization or sale if underutilized.
- Identify, evaluate, and apply for grants that align with PUD priorities.

Modernize Financial Operations

- Implement Accounts Payable Automation to improve efficiency, accuracy, and reduce manual workload.

Measures

- Maintain Moody's and Fitch investment-grade ratings.
- Debt service coverage ratio above 2.0.
- Debt-to-asset ratio no higher than 35%.
- Maintain at least 250 days of unrestricted cash on hand.



SYSTEM RELIABILITY

Pend Oreille PUD is committed to providing reliable service through strong infrastructure, disciplined operations and the smart use of technological investments. Our focus is on maintaining a resilient electric system that supports customer needs today and preparing for future growth and challenges.

Objectives & Critical Tasks

Strengthen and Modernize Infrastructure

- Establish a formal asset management program.
- Advance the Bare Mountain Substation and Diamond Lake improvements.
- Strengthen documentation and electric system modeling to ensure accuracy between design and field conditions.
- Begin the 115 kV Box Canyon Tap redesign and assess critical transmission segments.
- Evaluate and update the generation maintenance program.
- Review and implement required governor system safety upgrades.

Plan for Future Growth

- Conduct annual system capacity reviews.
- Strengthen forecasting and system-modeling tools.

Enhance System Monitoring, Vegetation Management, and Wildfire Mitigation

- Maintain reliable transmission corridors through ongoing vegetation management and hazard tree removal.
- Use vegetation management tools (software, services, drones) to optimize trimming cycles and identify high-risk locations.
- Continue targeted overhead-to-underground conversions in areas with elevated wildfire risk.
- Maintain and refine a coordinated protection system that isolates faults quickly and operates safely.
- Strengthen and expand coordination with local fire districts, tribal partners, and state and federal agencies.
- Improve outage management processes.
- Improve and integrate our system data, including SCADA, GIS, OMS, MDM, and asset systems.

Measures

- Reduce average outage duration to less than 200 minutes per customer per year.
- Maintain an average of fewer than one outage per customer.
- Demonstrate year-over-year improvement in vegetation management activities, hazard-tree mitigation, and treated line-miles in high-risk zones.
- Increase preventive maintenance and reduce outages caused by equipment failure.
- Conduct annual assessments of system constraints, recommended improvements, and long-term capacity needs.
- Improve accuracy and integration of SCADA, GIS, OMS, & MDM data.

SAFETY

Pend Oreille PUD is committed to protecting the safety of our employees, customers, and communities through prevention, preparedness, and continuous improvement.

Objectives & Critical Tasks

Safe Workplace and Community

- Strive to reduce lost-time incidents through proactive safety practices and continuous improvement.
- Develop and publish the Accident Prevention Plan and a District-wide Emergency Action Plan.
- Establish an annual Safety Awareness Month.
- Enhance physical safety and facility security measures.

Safety Improvements to Infrastructure

- Identify and prioritize safety-critical projects each year.
- Install Box Canyon Unit Fire Suppression Systems to reduce fire risk and equipment damage.
- Perform Box Canyon Spillway Rehabilitation to address erosion and maintain dam safety.

Safety Education for Staff and Public

- Strengthen organizational safety training programs.
- Elevate employee participation in safety trainings.
- Expand community safety education, including wildfire prevention and electrical safety demonstrations at local events and schools.

Measures

- Lost-time accident rate.
- Safety meeting completion and participation rate.
- Public participation at outreach events.



COMMUNITY ENGAGEMENT AND CUSTOMER SATISFACTION

Pend Oreille PUD is dedicated to building trust, transparency, and strong relationships with the people and communities we serve. Through proactive communication, educational outreach, and meaningful community partnerships, we strive to keep customers informed, involved, and confident in their public utility. As customer expectations evolve, the PUD will continue investing in modern tools and clear communication to strengthen public trust.

Objectives & Critical Tasks

Trusted Partner in the Community

- Maintain enhanced communication with customers, local governments, the Kalispel Tribe, and elected officials.
- Train employees to understand their impact on customer experience.
- Provide educational content to customers about rates, infrastructure investments, and fire-safe modes.

Engaged and Informed Community

- Publish clear information about operations, investments, and rates on the website and other forms of media.
- Host or co-host at least 20 community events by 2030.
- Establish a Volunteer Program for on-the-clock employee participation supporting local nonprofits, schools, and disaster response efforts.
- Partner with local schools for Utility Career Days and facility tours.
- Expand K-12 outreach by developing student presentations and educational programs to increase student understanding of public power, energy, safety and utility careers.

Enhanced Customer Satisfaction

- Respond to customer inquiries and questions promptly.
- Modernize public engagement tools through the Website Modernization Project, including transitioning from PDFs to interactive web applications.
- Expand conservation program offerings and implement targeted outreach to increase participation.
- Conduct customer satisfaction surveys in 2027 and 2030.
- Launch a Customer Pre-Pay Program.
- Implement a multi-channel outage alert system (SMS, email, social media, voice).

Support Economic and Workforce Development

- Sponsor or co-host at least one countywide job fair each year.
- Enhance apprenticeship & internship opportunities with local schools.

Measures

- Customer satisfaction survey results.
- Perceived bill affordability from customers.
- Number of community engagement events and attendees.
- Volunteer program participation.
- Number of educational resources or outreach materials delivered.

EMPLOYEE EXPERIENCE

Pend Oreille PUD is committed to creating a workplace where employees are valued, supported, and empowered to grow. By investing in learning, flexible work options, and clear communication, we aim to attract and retain skilled employees while fostering a culture of engagement and professional development.

Objectives & Critical Tasks

Attract, Retain, and Engage Employees

- Maintain competitive compensation through annual market studies.
- Continue flexible work scheduling options and telecommuting where feasible.
- Develop partnerships with schools and colleges for apprenticeship and work-study programs.
- Retain valued and skilled employees through strong development and support programs.

Grow through Learning and Career Development

- Provide continuous training opportunities to build skills and advance careers.
- Build a succession planning framework.
- Move to electronic forms for onboarding and open enrollment to streamline processes.

Improve Internal Communication and Engagement

- Maintain regular informational workshops.
- Continue developing the SharePoint/Teams hub for internal communication.
- Host at least two employee engagement events each year.
- Conduct annual employee surveys.
- Expand presence in local schools with utility career awareness efforts.

Measures

- Reduce unplanned employee turnover by 2% annually.
- Employee satisfaction score of 80% or higher.
- Average of 20 training hours per employee annually.
- Enhance Core Value Awards recognition.



INNOVATION

Pend Oreille PUD is committed to leveraging technology and creative solutions to improve services, enhance communication, and build a brighter future for our community. By modernizing systems and exploring new ideas, we aim to serve customers more efficiently and prepare for the challenges of tomorrow.

Objectives & Critical Tasks

Encourage Creative Solutions and Learning

- Host an annual innovation roundtable for employees.
- Significantly increase digital processes by 2030.
- Implement customer outage text/email alerts by 2027.
- Deploy a phone system replacement.
- Implement a fleet management system.

Build Infrastructure for a Sustainable Future

- Explore new renewable energy projects, including battery storage, pumped storage, solar or microgrid opportunities.
- Explore emerging infrastructure and industrial trends that may require significant improvements to our service capability.
- Explore opportunities for providing water treatment and distribution services to additional communities.

Measures

- New innovative technology projects implemented.
- Percentage increase in digital processes by 2030.
- Deployment of Phone System.
- Outage alert system completed.

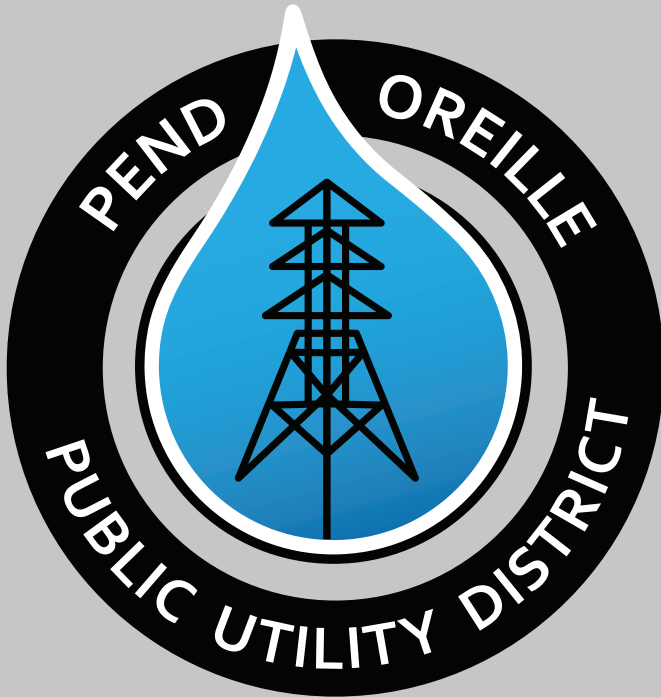


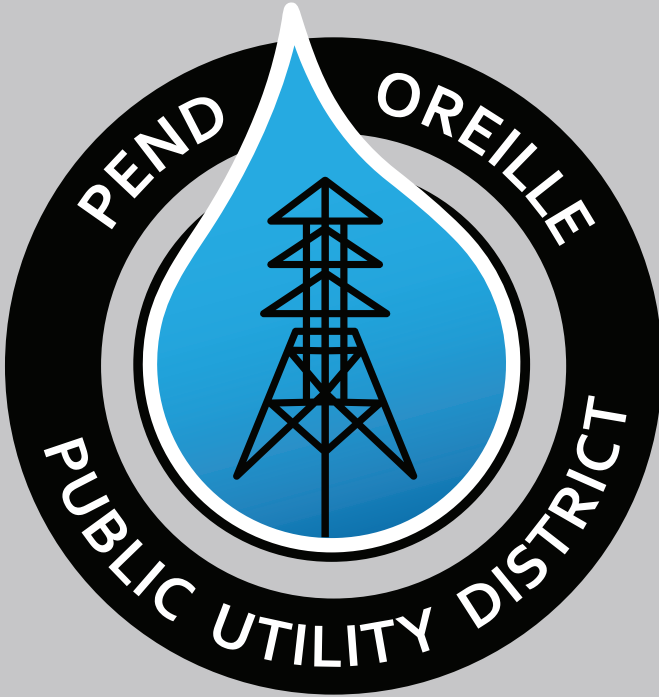
CONCLUSION

Pend Oreille PUD's 2026–2030 Strategic Plan provides a clear roadmap for delivering safe, reliable, and affordable service while supporting employees, engaging the community, and embracing innovation. By aligning priorities across financial responsibility, system reliability, safety, community engagement, employee experience, and innovation, we commit to measurable results and continuous improvement.

This plan serves as a living guide, helping the PUD adapt to changing conditions, seize emerging opportunities, and maintain the trust of our customers, partners, and communities. Together, we will achieve these goals and ensure a resilient, sustainable future for Pend Oreille PUD and leave a legacy for the generations who will call our county home.







STRATEGIC PLAN

2026-2030